

The Research Review

PUBLISHED BY THE RESEARCH DIVISION OF THE TENNESSEE HOUSE OF REPRESENTATIVES

March 23, 2006



Officers of the House Agriculture Committee visit one of the many displays set up throughout Legislative Plaza in observance of *Ag Day on the Hill* on Wednesday. Chairman Davidson, Vice Chair Bone and Secretary Borchert talk with spokesmen from the American Dairy Association.

THE RESEARCH DIVISION
RACHEL JACKSON BUILDING
320 SIXTH AVENUE NORTH, 1ST FLOOR
NASHVILLE, TN 37243

**House Research
Division Staff**

Staff

Agriculture

Patrick Boggs

Commerce

Jeremy L. Elrod

Conservation and Environment
Transportation

Lawrence Hall, Jr.

State and Local Government

Pam Mason

Education

Amelia Mitchell

Children and Family Affairs

Judy Narramore

Health and Human Resources

Kristina Ryan

Government Operations

Julie Travis

Finance, Ways and Means

Lucy Wilson

Consumer and Employee Affairs

Jamie Wyatt

Judiciary

Denise Sims,

Director

741-3025 or

741-1100 Ext. 44982

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The House Agriculture Committee met on Tuesday, March 21st to hear eight bills.

Rep. Stanley



The first two bills on calendar, **HB 0263** and **HB 3604 (Rep. Stanley)** allow locals to put ordinances into effect banning smoking in public buildings and certain restaurants. After comments and questions by several committee members, Rep. Dunn requested that HB0263 be **referred to summer study**, a measure the committee approved. Rep. Stanley then took HB 3604 off notice.

HB 2548 (Hackworth) was rolled one week at the sponsor's request.

The bill puts restaurants in the Children's Act for Clean Indoor Air and restricts smoking in restaurants to areas in which children are not allowed. A bill prohibiting smoking in restaurants that give access to or employ young people under the age of 18, HB 3102 (Hensley), failed to receive the majority vote in committee.

Sent to Finance was **HB 3677 (Odom)**. The bill, as amended in committee, outlines sanctions imposed by the Department of Agriculture upon those who violate aerial pesticide application regulations. It authorizes the commissioner to issue a civil penalty up to \$2,500 upon determination of a violation.

Sent to Calendar and Rules was **HB 3085 (Litz)**. The bill, as amended in committee, affects the Commodity Dealer and Warehouse Law. It defines "incidental commodity dealer – nonsecured" as those dealers who purchase commodities from producers and who have chosen not to maintain a security instrument. Those nonsecured dealers will have licenses that state that producers cannot "...receive indemnification from the Tennessee Grain Indemnity Fund if payment is not made for commodities delivered to this dealer." The notice – no less than two inches in height - shall be posted next to the dealer's license, and also placed on the receipt or scale ticket issued to the seller.

The two remaining bills on calendar were rolled. HB 3296 (Niceley) prohibits the feeding of any animal feed, nutritional supplements, medicines or parts containing a specified risk material from a ruminant, to animals. HB 3575 (Litz) deals with distributors and dealers of tobacco products, and allows them to deduct the amount of their bad debt from the privilege tax imposed on such dealers.

At the end of the meeting, the committee heard from the Dr. Joseph DiPietro, the new Vice President for Agriculture at the University of Tennessee. Dr. DiPietro held administrative positions at both the University of Florida and the University of Illinois before coming to UT a month ago. They also heard from Michael Towns, a UT Veterinary Medicine student, who will complete his studies next year. The Hartsville resident, who plans to practice large animal medicine in Trousdale County, spoke on the need for additional resources to increase the number of students in that field.



Rep. Litz

All bills in Agriculture must be put on notice by March 28th.

The **Children & Family Affairs Committee** met this week and heard **HB 3692 (Hackworth)** that creates a child support study committee. This bill sparked a lengthy discussion regarding the scope of the study committee and what issues the study committee would be able to address. Rep. Hackworth brought forth an amendment that would have changed the scope of interest and membership of the committee, but that amendment failed.



Rep. Cochran presented an amendment that would include enforcement procedures of child support as an issue that the study committee would review, which passed. An additional amendment was introduced by Rep. Rowland, which stated that two judges with experience in child support enforcement be appointed by the study committee chair to serve on the committee. Once these two amendments were adopted, the bill was deferred one week.

Domestic Relations Subcommittee

The **Domestic Relations Subcommittee** met on Tuesday, March 21, and the following actions were taken:

HB 3326 (Jones, S.), which reduces the age minimum for a person to petition without a guardian to obtain an order of protection from 18 years old to 16 years old, was **passed to full committee**.

HB 2763 (Strader) requires grandparents to be given the same rights as legal guardians in adoption proceedings. It also requires the termination of the guardianship rights of a grandparent before the child can be adopted by any other person, and gives the grandparent priority in adoption over everyone other than a parent, legal parent, or putative father of a child. This bill was **passed to full committee**.

The following bills were deferred 2 weeks:

HB 2945 (Kelsey)

HB 2944 (Kelsey)

HB 2941 (Kelsey)

Family Justice Subcommittee

The **Family Justice Subcommittee** met on Tuesday, March 21 and heard the following bills:

HB 4020 (McMillan) removes the Department of Children Services from the administrative duties of the Community Services Agencies and places all administrative duties with the Department of Finance and Administration. This bill was **passed to full committee**.

The following bills were deferred 2 weeks:

HB 2943 (Kelsey)

HB 3044 (C. Johnson)

Full Committee

The **Commerce Committee** met Tuesday to consider 6 bills.

Bills Moved to Calendar and Rules:

HB 3825 (Hargrove) - This bill adds shares of capital stock of a federal home loan bank to those securities that may be allowed as a credit against insurers' liabilities. This bill applies only to Tennessee domestic insurance companies.

HB 3507 (Tindell) – This bill would exempt persons who sell items on online auction sites, including those who do so for others for profit, from having to register as licensed auctioneers.

Bills Moved to Finance, Ways, and Means Committee:

HB 2447 (McDonald) This bill, as amended by the Commerce Committee, requires all property insurance companies in the state to offer sinkhole insurance, whether as part of existing property policies, or through additional policies. The bill requires inspection by the insurance company before approval of a claim, and concurrence by a professional geologist before a claim can be denied. The bill also gives provisions for the insurance company to recoup some costs if a claim is made without good faith.

Bills Rolled One Week:

HB 2559 (Jones, S.)
HB 3454 (Coleman)

Bills Rolled Two Weeks:

HB 2563 (Pruitt)

Small Business Subcommittee

The **Small Business Subcommittee** met Tuesday to consider 4 bills.

Bills Moved to Full Committee:

HB 3537 (Overbey) This bill ends the lag time that a car salesperson must endure when moving from one car dealership to another, and can thus, under the provisions of the bill, continue car sales while the Motor Vehicle Commission processes the necessary application.



Chairman Hargrove
& Vice Chair Curtiss

Bills Taken Off Notice:

HB 3921 (Maddox)
HB 1565 (Overbey)
HB 3038 (Fowlkes)

Industrial Impact

The **Industrial Impact Subcommittee** met Tuesday with 15 bills on its calendar.

Bills Moved to Full Committee:

HB 3103 (Johnson, P.) This bill, with amendments that rewrite the bill, requires that the Contractors Licensing Board must approve courses designed to instruct individuals in passing licensing examinations.

Bills Rolled One Week:

HB 125 (Turner, M.)
HB 2581 (West)
HB 2582 (West)
HB 640 (Harrison)
HB 3321 (Matheny)
HB 3801 (Jones, U.)
HB 2567 (West)

Bills Rolled Two Weeks:

HB 3206 Odom

Bills Rolled Three Weeks:

HB 3463 (Miller)

Bills Taken Off Notice:

HB 2788 (McKee)
HB 2971 (Cooper)
HB 2577 (West)

Bills Rolled to Calendar on Mandates:

HB 3046 (McDonald)
HB 3971 (McDonald)

Utilities and Banking

The **Utilities and Banking Subcommittee** met and had 4 bills on its calendar.

Bills Moved to Full Committee:

HB 3475 (Curtiss) This bill makes certain changes to the timing when applying for a charter to become a state-chartered bank with the Department of Financial Institutions. It does not substantially change the process

COMMERCE CONTINUED.

and the oversight that Financial Institutions has over this process. The change is directed in three areas of the process. First, it moves up the issuance date of the charter to begin as a corporate entity. Second, it accelerates the capital gathering process, so that capital can be raised before the certificate of authority is granted. And, thirdly, it changes the amount required of the initial investors, so that less is required for interested individuals to invest of themselves to begin chartering a bank. Slight changes were amended to the bill by the subcommittee, not changing the scope or impact of the bill.

HB 2905 (Harrison) This bill ups the amount that an industrial loan and thrift company can charge as a late fee on a loan. The subcommittee acted to change the amount to a maximum of \$15.00, from \$17.50 in the printed bill.

Bills Rolled One Week:

HB 2928 (Matheny)

The full **Conservation and Environment Committee** met on Wednesday, March 22, 2006 to hear eight bills.

The following bills were passed by the committee and referred to **Finance, Ways and Means**:

HB2491 (Borchert) - As amended, requires TWRA to authorize any veteran with a 10 percent or more service-connected disability to participate in a TWRA sponsored hunt for three days each archery, muzzleloader and rifle season without requirement of licensure. The qualified veteran must provide written documentation from the United States Department of Veteran Affairs confirming the disability and photo identification when requested by a TWRA officer.

HB2494 (Borchert) - As amended, authorizes veterans with at least a 50 percent service-connected disability to receive a 50 percent reduction in room fees in all state park inns and cabins and in all state park activity fees.

The qualified veteran must provide photo identification and documentation proving disability.

HB616 (McCord) - As amended, creates a \$10 lifetime sportsman license for Tennessee residents that are disabled veterans with a 10 percent disability. Any loss in funding to the TWRA as a result of this license will be replaced will funds from the General Fund.

HB3550 (McCord) - authorizes the Wildlife Resources Commission to promulgate rules and regulations to create a one-year, one-time only permit for a fee to exempt certain persons from completing hunter education course requirements.

The following bills were passed by the committee and referred to **Calendar and Rules**:

HB3552 (McCord) - removes the prohibition on hunting deer, bear, wild elk or wild boar with a shotgun using ammunition loaded with more than one solid ball, a rifle using rim-fire cartridges or a rifle loaded with center-fire ammunition of less than .24 caliber. The bill would in effect allow the Tennessee Wildlife Resources Commission to be wholly responsible for setting this type of regulation in rule.

HB2549 (Hackworth) - Urges TDEC to hire minors to work in state parks in non-hazardous duties and requires the commissioner to report annually to the Senate Environment, Conservation and Tourism Committee and the House Conservation and Environment Committee regarding the number of minors employed.

HB2887 (Rowland) - Decreases from .10 percent to .08 percent blood alcohol content necessary to constitute offense of boating under influence.

HB3994 (Ferguson) - Adds Rugby and Stillhouse Hollow Falls to scenic-recreational areas; adds Campbell Bend Barrens, Crowder Cemetery Barrens, Pogue Creek, and Walls of Jericho to natural-scientific areas; revises acreage of Sequatchie Cave and Manus Road Cedar Glade natural-scientific areas.



Rep. Rowland

Environment Subcommittee

The **Environment Subcommittee** met on Wednesday, March 22, 2006 to hear five bills. **HB2553** (Shaw), **HB3305** (Shaw), **HB3649** (Hawk) and **HB3955** (Briley) were deferred for one week. On **HB3438** (Lynn), the amendment adopted last week was reconsidered and withdrawn. A new amendment was adopted and the bill was referred to full Conservation and Environment. The amendment, which rewrote the bill, requires all zoning requirements established for a parcel of land by the municipality or county government shall apply to advanced treatment systems.

Parks and Tourism Subcommittee

The **Parks and Tourism Subcommittee** did not meet this week.

Wildlife Subcommittee

The **Wildlife Subcommittee** did not meet this week.

Rep. McCord



The **Full Committee** met Tuesday, March 21, 2006, to hear three bills.

Rep.
Maddox



HB 3105 (Maddox) creates the Anti-Phishing Act of 2006 and would make it unlawful for any person, to use the Internet, electronic mail messages or any other electronic means, including wireless communication to gather identifying information with the intent to defraud. It would also be unlawful to gather information with the intent to sell or distribute such information.

An individual who suffers a loss such as described by this proposed legislation, could bring action to recover the actual damages or \$500,000, whichever is greater. A court could increase the recoverable damages up to three times the damages.

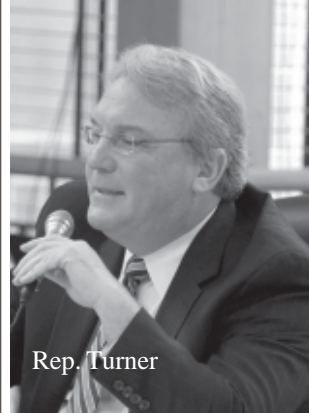
Two amendments were adopted in the Senate Commerce, Labor & Agriculture Committee. Amendment 1 prohibits a person from *attempting* to gather or use identifying information that is prohibited in this legislation. Amendment 2 prohibits a person from creating a Web site that mimics another site with the intent to gather or use identifying information previously described in the bill. The committee placed both amendments on the house bill as well, and the bill was **sent to the Calendar and Rules Committee**.

HB 2499 (McDonald) requires employers to provide written notice of their workplace policy on smoking to any prospective employer prior to employment. After much discussion, a vote was called and the bill failed to pass out of committee by a very close vote, 5-6-0.

HB 3108 (Cooper) requires automobile dealers of pre-owned motor vehicles to provide purchasers of such motor vehicles with a copy of an express warranty that such vehicles are free from extraordinary defects. An amendment was offered that rewrites the bill requiring a dealer of pre-owned vehicles to provide emission testing and vehicle inspection when the purchaser is from a city that requires same and the vehicle has not been tested or inspected within ninety (90) days prior to the sale. The amendment passed and the bill was **passed to Finance, Ways and Means**.

Consumer Affairs Subcommittee did not meet Tuesday, March 21, 2006.

Employee Affairs Subcommittee met March 22, 2006 to hear four minimum wage bills, three of which were rolled to the last Employee Affairs Subcommittee Calendar. Those bills were HB 2624 (McMillan), HB 2885 (Turner M), and HB 3318 (Turner M).



Rep. Turner

Rep. Mike Turner presented **HB 3402 (McMillan)**. This bill enacts the "Tennessee Minimum Wage Act" and establishes a minimum wage of \$6.15, one dollar higher than the federal minimum wage of \$5.15. According to the U.S. Department of Labor, two of the eight states

bordering TN – Mississippi and Alabama – have no minimum wage and the other six – Georgia, North Carolina, Virginia, Kentucky, Missouri, and Arkansas – have the same minimum wage as the federal government. After much discussion the bill was **passed to the full committee**, House Consumer and Employee Affairs.

Full Committee

At its March 22 meeting the Education Committee took the following actions on its calendar.

Referred to Calendar & Rules:

SJR 602 – (Eldridge) designates the month of March as “Credit Education Month.”

Referred to Finance, Ways & Means:

HB 250 – (Stanley) provides 25 percent tuition discount at any state-operated institution of higher learning for children, under 24, whose parent is employed as a teacher’s aide for a minimum of 25 hours per week in any public school.

HB 2545 – (Ferguson) for retired teachers with 30 or more years of service, the percentage of their cost for health insurance would decrease from 55 percent the first year of retirement to 20 percent of the total in the fifth and subsequent years of retirement.

Deferred 1 week:

HB 1408 – (Baird)
HB 3523 – (Maddox)
HB 2973 – (Cooper)
HB 2439 – (Turner, M)
HB 2460 - (Hackworth)
HB 3055 – (McCormick)
HB 2674 – (Montgomery)
HB 3363 – (Maddox)
HB 3750 – (Fitzhugh)



Rep. Ferguson

HB 3526 – (Maddox)
HB 3025 – (Maddox)

Taken off Notice:

HB 748 – (Winningham)

Higher Ed Subcommittee

The Higher Ed Subcommittee met Wednesday to consider its calendar. Action follows.

Referred to Full Committee:

HB 2544 – (Ferguson) includes children of retired teachers and technology coordinators, with 25 years of full-time creditable service, with those eligible for a 25 percent tuition discount at state-operated schools of higher education.

HB 2607 – (McCormick) presently before a higher education board member can be removed, a due process contested case hearing must be held. This bill would

change that process by removing that language and giving the member an opportunity to address the board.

HB 2841 – (Coleman) requires the director of the TBI to adopt and promulgate rules and regulations for the form to be used when crimes that occur on campuses of higher education in Tennessee.

HB 3952 – (Briley) would clarify that membership in a not-for-profit buying cooperative would not prohibit an institution of higher education from making purchases through a group purchasing program.

HB 2847 – (Curtiss) adds Afghanistan Campaign Medal, Iraq Campaign Medal and Army Combat Action Badge to the list of those which meet eligibility for tuition and fee waivers at state institutions of higher education.

Deferred 1 week:

HB 2607 – (Bunch)
HB 2619 – (McMillan)
HB 3040 – (Bunch)
HB 3109 – (Cooper)
HB 1284 – (Shaw)
HB 3312 – (Hargett)

K-12 Subcommittee

At its Tuesday meeting the K-12 Subcommittee considered its calendar. Action follows:

Referred to Full Committee:

HB 3909 – (Litz) requires a one-year expulsion for any student making a bomb threat against a school. The director of schools may modify the expulsion on a case-by-case basis.

HB 3870 – (Armstrong) requires certain students with diabetes to be able to possess sharps on their person.

Referred to Full Committee, if amended:

HB 2923 – (Hill) encourages LEAs that have new physical activity programs to annually report to the department of education effectiveness of the program. The amendment changes “shall” to “encourage” on LEAs reviewing and reporting upon the effect of sports on student health.

Deferred 1 week:

HB 3893 – (Baird)

Deferred 2 weeks:

HB 2546 – (Hackworth)

HB 1982 – (Hargett)

HB 3871 – (Armstrong)

Deferred to Last Calendar:

HB 3596 – (Turner, L.)



Rep. Hill

Week of March 20th-2006:

The Full Committee

The House Finance, Ways, and Means Committee met on Tuesday, March 21, 2006 with five bills on calendar; **all bills were recommended for passage and referred on to Calendar and Rules.** A listing and brief description of these bills follows:



Rep. Baird

HB 2468 (Baird) designates the National Guard Armory in Jacksboro as the “Staff Sergeant Barton Siler National Guard Armory.” The signs will be paid for by non-state sources.

HB 3182 (Hargrove) brings Tennessee in line with twenty-three other states, allowing persons to have three years to claim abandoned securities and

dividends under the Unclaimed Property Act.

HB 2640 (Hawk) authorizes the Green County Clerk to serve as the county’s probate court clerk.

HJR 124 (McMillan) is the second General Assembly reading of the constitutional amendment proposal which allows for a referendum authorizing local governments to provide additional property tax relief to senior citizens. The resolution would be placed on the November 2006 regular general election ballot.

Budget Hearings continued this week: On Tuesday, the committee heard from the Departments of Health, Human Services, and Children Services. On Wednesday, the Departments of Safety and Commerce and Insurance testified, as well as the Attorney General. Thursday’s scheduled presenter is Deputy Commissioner Dr. J.D. Hickey for the presentation of the TennCare budget.

The budget hearings scheduled for last Thursday (Departments of Aging and Veterans Affairs), that were subsequently postponed out of respect for the passing of Rep. Jack Sharp and his funeral service, have been tentatively rescheduled for the full committee meeting during its regularly scheduled time on Tuesday, March 28th. Commissioner Dave Goetz’s presentation on the Safety Net has been tentatively rescheduled for Tuesday, April 4th.

The Budget Subcommittee

The Budget Subcommittee of the House Finance, Ways,

and Means Committee met on Wednesday, March 22, 2006, with 36 bills on calendar.

Subcommittee Actions for these bills are as follows:

Off Notice:

HB 3181 – Johnson, C. (*at the request of the sponsor*)

Behind the Budget:

HB 2492 – Borchert

HB 2493 – Borchert

HB 3922 – Fitzhugh

HB 3427 — McMillan

Last Calendar:

HB 740 – Stanley

Deferred One Week:

HB 2768 – Hargett (*as previously amended in Budget Sub.*)

HB 3950 – Briley

HB 2848 – Curtiss

HB 3042 – Hackworth

HB 451 – Hill

HB 3532 — McDonald

HB 2777 – Overbey

Deferred Two Weeks:

HB 2535 – Baird (*as previously amended in Budget Sub.*)

HB 2745 — Crider

HB 2769 – Hargett

HB 1415 – Jones, U.

HB 1665 – Maddox

HB 2568 – West

HB 2564 – West

HB 2579 – West

HB 52 — Matheny

HB 3201 – Odom

HB 2485 – Turner, M.

Deferred Two Weeks with a Budget Subcommittee Amendment:

HB 3611 –Odom (*w/BSA1*) The bill, as amended, would reduce the sales tax on grocery food from 6% to 3% and would increase the cigarette tax from 1 cent per cigarette (20 cents per pack) to 3.10 cents per cigarette (62 cents per pack) with an additional 1 cent per pack annual increase beginning in FY07-08 until FY16-17. The Department of Revenue’s Commissioner would be instructed to hold local governments harmless from loss of revenue, to report annually to the General

FINANCE, WAYS AND MEANS

Assembly of revenue impact and to recommend adjustments in order to maintain a revenue neutral impact of the legislation.

The following bills were referred to Full Committee:

HB 2969 – Cooper, B. – This bill places a \$400 cap on driver license reinstatement fees that had been imposed for certain suspensions related to traffic citations. As amended in Budget Sub, this provision would sunset in two years.

HB 2044 – Maddox – This bill, as amended with FWM Amdt1 (from last year's session), authorizes the Commissioner of Commerce and Insurance to impose civil penalties upon finding that a workers' compensation insurer has unlawfully assessed an employer's premium. The Commissioner is further authorized to promulgate rules to assess the costs of any administrative hearing to the parties involved. Budget Sub. amended the bill this past week with the second amendment to fix the effective date of the bill.

HB 3247 – Brooks (Knox) – This piece of legislation expands the authority of the Tennessee Law Enforcement Training Academy to provide specialized training to other government or private sector employees who are not law enforcement officers but whose work impacts public safety.

HB 2509 – Cobb – This bill designates a certain bridge on US Hwy. 41A in the City of Eagleville as the John Redmond Bridge. Designating signs shall be erected only if non-state funds are used to manufacture and erect such signs.

HB 3738 – Fitzhugh – This piece of legislation amends bond bills from the past 13 years to provide for the making of grants to counties, metropolitan governments, towns, cities, special districts, and any agencies thereof if the project grant is approved by the state building commission.

HJR 780 – Johnson, R. – This bill designates State Route 72 in its entirety in Blount, Loudon, Monroe, and Roane counties as the 278th RCT Memorial Highway. The monies for the sign installation will come out of the highway fund in accordance to TCA§54-1-133.

HB 3089 – Litz – This bill designates a certain bridge on State Route 66 in Hamblen County as the Dr. Hubert J. Bell, Jr. Bridge. Designating signs shall be erected only if non-state funds are used to manufacture and erect such signs.

HB 2776 – Maggart – This bill designates a certain segment of State Route 174 in Sumner County as the Bethel Brown Highway. Designating signs shall be erected only if non-state funds are used to manufacture and erect such signs.

HB 3551 – McCord – This legislation exempts church-owned property in premier-type tourist resorts from special property taxation assessment. Currently, such properties may be assessed an amount to assist in the payment for infrastructure improvements for which improvement bonds have been issued.

HB 3205 – Odom – This piece of legislation authorizes licensed chiropractors in this State to practice acupuncture as part of their practice.

HB 2523 – Sargent – This bill authorizes the City of Brentwood ("cities with a population above 20,000 according to the last federal census and having a city manager – commission form of government") to increase the number of city commissioners from five to seven. This must be done by adoption of city ordinance. If such ordinance is adopted by the commission, then it must be approved by popular vote. This piece of legislation is permissive.

The **House Government Operations Committee** met on Wednesday, March 22, 2006 to consider the calendar. **HB 2660** by Representative Bunch, **HB 3204** by Representative Odom, **HB 3429** by Representative Odom, **HB 2584** by Representative Rowland, **HB 3972** by Representative Cobb and **HB 3511** by Representative Tindell were all deferred for one week. **HB3210** by Representative Moore was taken off notice and **HB 3830** by Representative Sontany was rolled to the first calendar of 2007.

After long discussion, the committee reviewed and **referred HB 2621** by Representative McMillan to the Consumer and Employee Affairs Committee with a positive recommendation. Known as the “Pay Equity Act of 2006”, this legislation prohibits employers from wage discrimination against an employee on the basis of sex. The Department of Labor and Workforce Development is authorized to promulgate rules in order to implement the provisions of this legislation.

Because of time constraints, all other bills that were not heard were placed on next week’s calendar.



Rep. McMillan

Full Committee

The **Health & Human Resources Committee** met Tuesday morning, March 21, 2006, to consider five bills. Three bills were **referred to C&R: HB 2844, HB 2977, and HB 3582.** **HB 2844** (Curtiss) requires the Division of Mental Retardation to establish a task force to conduct a statewide needs assessment of persons with developmental disabilities other than mental retardation for whom home and community-based services do not exist and to develop a plan to provide home and community-based services for such persons. **HB 2977** as amended (Cooper, B.) urges the Comptroller of the Treasury to conduct a study concerning the implementation and impact of the "Three Star System" of voluntary rating of child care agencies, and further, urges the Comptroller to conduct a study of the requirements concerning transportation related to child care providers. With both studies, any findings and recommendations would be reported to the General Assembly by January 15, 2007. **HB 3582** (DeBerry, L.) authorizes a mother to breastfeed a child who is 12 months of age or younger in any location where they are otherwise authorized to be present, specifies that breastfeeding will not be considered nudity, obscene or sexual conduct, specifically exempts breastfeeding from the definition of public indecency and indecent exposure, and usurps local government authority to prohibit breastfeeding in public by local ordinance. The remaining bills on calendar were rolled by the respective sponsor after brief comments on each bill. **HB 2632** (Curtiss) concerning a task force to study prescription drug use was rolled one week, and **HB 2970** (Cooper, B.) concerning notice to child care providers that child subsidy payments have been terminated was rolled two weeks.

Rep. L. DeBerry



Health Care Facilities Subcommittee

The **Health Care Facilities Subcommittee** had four bills on calendar Tuesday afternoon, March 21st. **HB 2827** (Odom) as amended that revises existing claims data reporting requirements for ambulatory surgical treatment centers (ASTCs) and outpatient diagnostic centers (ODCs) and deletes the statutory provision that authorizes the Tennessee Hospital Association to review and copy such claims data earlier than when it is made available to the public was **referred to full**

committee. The amendment further clarifies the claims data reporting requirements for ASTCs and ODCs to restrict collection and reporting of such data to the extent that it would be collected and reported in the normal billing process unless otherwise deemed essential to the reporting system by the Commissioner of Health. Such data reporting outside the normal billing process must be consistent with data collected and reported by other healthcare providers. Claims data for ASTCs and ODCs would not be made available to the public more frequently or any sooner than claims data collected and reported by hospitals. **HB 2998** (McMillan, DeBerry, J.) that requires the Department of Mental Health & Developmental Disabilities to reimburse licensed supportive living facilities for the mentally ill for each resident whose income is limited to payments under the Social Security Act and does not exceed the monthly SSI Federal Benefit Rate was

referred to full committee. After testimony on **HB 2831** (Campfield) that requires non-residential methadone treatment facilities to offer alternative therapies, the sponsor rolled the bill two weeks. Rep. Maddox requested that **HB 3026** (ICF/MR beds) be rolled one week.

Mental Health Subcommittee

The **Mental Health Subcommittee** met Tuesday afternoon, March 21st and rolled **HB 2757** (Pinion) one week after the sponsor was unable to attend the subcommittee meeting due to a committee schedule conflict.

Public Health Subcommittee

The **Public Health Subcommittee** met Wednesday morning, March 22, 2006, with three bills on calendar. **HB 3383** (Shepard) as amended that requires the Department of Health to enter into a memorandum of understanding with the Tennessee Primary Care Association, the Tennessee Hospital Association, and the Tennessee Rural Health Recruitment and Retention Center to work cooperatively with respect to the annual Health Professional Shortage Area (HPSA) designation process was **referred to full committee.** The amendment requires the Commissioner to consult with any state agency involved in the administration of a safety-net program when preparing the annual report to the General Assembly. Rep. Armstrong took **HB 3705** (death certificate) and **HB 3708** (A&D counselors) off notice.

HEALTH & HUMAN RESOURCES *continued.*

Professional Occupations Subcommittee

The **Professional Occupations Subcommittee** met at noon on Wednesday, March 22nd with 12 bills on notice. **HB 3585** (Odom) that exempts any online nursing diploma program from the Board of Nursing approval process if such program was in existence before January 1, 2005, and approved by an out-of-state board of nursing and accredited by the National League for Nursing Accrediting Commission was **referred to full committee**. **HB 3560** (Odom) as amended that establishes a pilot program whereby nursing homes and hospice programs may donate unused prescription medications, except controlled substances, to charitable clinics to be redispensed free of charge to indigent patients was **referred to full committee**. The amendment clarifies that the charitable clinic pharmacy is responsible for management of this redispensing drug program and removes the Department of Human Services from the bill as introduced, thereby, leaving responsibility for the pilot program with the Board of Pharmacy and the Department of Health.

HB 3228 (Odom) that requires the Board of Social Worker Certification and Licensure to promulgate rules for the issuance of temporary certificates for master social workers who hold the degree of master or doctor in social work granted by an institution which has applied for, but has not yet received, accreditation by the Council on Social Work Education and authorizes a temporary certified master social worker to apply for a license to engage in independent practice was **referred to full committee**. Rep. Hood presented **HB 3795** (allied health care professions) and then rolled the bill one week for clarification of the language “allied health care professions.” Rep. L. DeBerry requested that **HB 1288** (surgery under anesthesia outside of a hospital or ambulatory surgical treatment center) be rolled to the last subcommittee calendar. Rep. Kernell took **HB 3558** (revisions to Tennessee Affordable Drug Act of 2005) off notice. The remaining six bills on calendar were rolled one week at the request of the respective sponsor: **HB 2561** (Shepard), **HB 2896** (West), **HB 3835** (Turner, M.), **HB 2758** (Favors), **HB 3203** (Odom), and **HB 3882** (Odom).

The Full Judiciary Committee

On Tuesday, the Full Judiciary Committee met to discuss twenty-six bills. The following bills were approved for passage and **sent to the Finance, Ways, and Means Committee:**

- **HB 57 by Rep. Shaw**, as amended, allows multiple citations to be issued per vehicle for violations of the child passenger restraint law.
- **HB 1362 by Rep. Overbey**, as amended, removes the statutes population restriction applicable to Shelby County and allows any county who has a county records commission the ability to establish and collect a \$2.00 archives and records management fee.
- **HB 1360 by Rep. J. DeBerry**, as amended, authorizes counties operating programs for victims of crime to charge a \$45.00 fee to people convicted of a crime where the penalty imposes a fine of not less than \$500. This fee shall be collected by clerks of all courts in the county. A county may elect to establish such a program to assist victims of crime. The types of programs include rape crisis centers, domestic violence shelters, victims of crime hotlines and information groups, counseling, and crisis intervention programs.
- **HB 2842 by Rep. Coleman** extends the statute of limitations for prosecution of a felony offense to within one year after the date the identity of an accused is established through the analysis of DNA evidence.
- **HB 3832 by Rep. McMillan** designates that any person who treats a child under 18 years old in a manner so as to inflict injury commits child abuse. Also, the bill raises the age limit from 6 years old to 8 years as the maximum victim's age for the offense of knowingly inflicting injury on a child, which makes it a Class D felony. Also, the bill raises the age from 13 years old to 18 years old as the maximum age for the offense of knowing neglect or child endangerment and raises the age from 6 years old to 8 years old to be a Class E felony for that offense.
- **HB 3833 by Rep. McKee** creates a new Class A felony of aggravated rape of a child when a child is ten years old or younger.

The following bills were approved for passage and **sent to the Calendar and Rules Committee:**

HB 3450 by Rep. Fowlkes, as amended, defines eminent domain, blighted area, what is and isn't a public use including 5 exceptions. Also, land used predominately in the production of agriculture would not be considered a blighted area. The bill requires a city or county who exercises the power of eminent domain for the development of an industrial park to obtain a certificate of public purpose and necessity from the state, which is evaluated by a committee, before they exercise this power. Also, the bill will not affect the disposal of state's surplus interests in real property pursuant to T.C.A. §12-2-112. There are a number of entities named in the bill that will have their power of eminent domain removed.

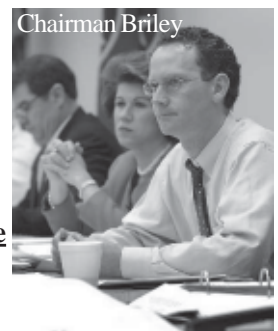
- **HB 3592 by Rep. Curtiss** adds electronic stun guns to the list of prohibited weapons.
- **HB 3877 by Rep. Coleman** authorizes the violations of adult driving while impaired and drag racing to be considered individually as part of the definition of what constitutes a habitual offender.

The following bills were rolled for 1 week:

HB 2625 by Rep. McMillan
 HB 2840 by Rep. Coleman
 HB 3878 by Rep. Coleman
 HB 3088 by Rep. S. Jones
 HB 3643 by Rep. Todd
 HB 2824 by Rep. Todd
 HB 2825 by Rep. Todd
 HB 3212 by Rep. Kelsey
 HB 2649 by Rep. Godsey
 HB 3880 by Rep. Stanley
 HB 2504 by Rep. Harmon
 HB 3304 by Rep. Niceley
 HB 3578 by Rep. Sontany
 HB 3433 by Rep. Bone
 HB 3840 by Rep. R. Johnson
 HB 3879 by Rep. R. Johnson
 HB 3579 by Rep. Coleman

Civil Practice & Procedure Subcommittee

The Civil Practice & Procedure Subcommittee met to discuss twenty-five bills. HB 2422 by Rep. Fowlkes, which established the Tennessee Preservation Trust as a new trust interest, failed. HB 3980 by Rep. Cobb was taken off notice.



JUDICIARY

The following house bills were rolled 1 week:

HB 2672 by Rep. Sontany
HB 2678 by Rep. Baird
HB 2683 by Rep. Campfield
HB 2942 by Rep. Kelsey
HB 2950 by Rep. Stanley
HB 2952 by Rep. Stanley
HB 3068 by Rep. Curtiss
HB 3393 by Rep. Mcmillan
HB 3606 by Rep. Stanley
HB 3607 by Rep. Stanley
HB 3662 by Rep. Hill
HB 3462 by Rep. Buck
HB 3519 by Rep. Cochran
HB 3520 by Rep. Cochran
HB 3581 by Rep. Coleman
HB 3816 by Rep. Sargent
HB 3843 by Rep. Lynn
HB 3946 by Rep. Briley

The following bills were **approved for passage to the Full Judiciary Committee**:

- HB 2772 by Rep. Bunch tolls the statute of limitation for the expiration of a creation/perfection of a lien until 90 days after a stay is lifted, the case is discharged, or the case is dismissed if a creditor is stayed from filing documents to create or enforce a lien due to the debtor's act of filing a bankruptcy petition.
- HB 3217 by Rep. Kelsey clarifies the language "party to be charged" to mean the party against whom an enforcement of a contract is sought as it relates to the statute of frauds.
- HB 3413 by Rep. McMillan revises provisions of the Tennessee Revised Limited Liability Company Act.
- HB 3953 by Rep. Briley creates a Sorry Works pilot program to encourage the settlement of medical malpractice and reduce litigation. This program creates a 12 member committee that oversees and implements the Sorry Works Program. If there is an incident of medical malpractice, the participating entity must disclose and identify, acknowledge and apologize for mistakes in patient care and offer a fair settlement.

- HB 4018 by Rep. McMillan repeals T.C.A. §12-4-118 which requires contracts entered into by the State of Tennessee to have a provision that holds harmless and indemnifies those persons for breach of contract that is caused by the failure of computer software.

Criminal Practice & Procedure Subcommittee

The Criminal Practice & Procedure Subcommittee met on Tuesday to discuss its DUI calendar. The goal was to evaluate all the bills dealing with the DUI law. What resulted were three bills (the first three bills as listed below) that offer options to either clean up the current DUI law, repeal the current law in order for it to revert back to the pre-2005 law, or a bill that would restore the old law, but contain a sunset provision to allow the general assembly to make any revises it may wish to make next legislative session. Also, the Criminal Practice & Procedure Subcommittee will hold its last meeting on April 4th. If you would like your bill heard, please put it on notice by Wednesday, March 29th.

The following bills were **approved for passage to the Full Judiciary Committee**:

- HB 3446 by Rep. Lynn reinstates mandatory 48 hour imprisonment for 1st offense DUI and removes the 24 hour litter removal punishment established by the law enacted in 2005.
- HB 3465 by Rep. Curtiss rewrites provisions of law enacted in 2005 to require litter pickup be a condition of an offender's probation and the offender pay the supervision fee to the sheriff to offset sheriff's costs.
- HB 3058 by Rep. Cochran restores the minimum jail sentence to at least 48 hours and removes the mandatory 24 hour litter removal established by the law enacted in 2005. However, the bill, if passed, will go into effect immediately and sunset in July 1, 2007 if the legislature hasn't made any changes within that time frame.
- HB 3235 by Rep. Fowlkes requires a 1st time DUI offender to have a drug and alcohol assessment done if services are available with costs paid by offender.

JUDICIARY

The following house bills rolled for 1 week:

HB 2557 by Rep. Sargent
HB 2940 by Rep. Stanley
HB 3752 by Rep. Buck

House bills rolled 2 weeks:

HB 2794 by Rep. Marrero
HB 3916 by Rep. Kernell
HB 3121 by Rep. Montgomery
HB 3192 by Rep. Harmon

Off notice:

HB 2761 by Rep. Strader
HB 3194 by Rep. Campfield
HB 2955 by Rep. Montgomery

Constitutional Protections Subcommittee

The Constitutional Protections Subcommittee met on Wednesday to discuss sixteen bills. The committee heard from law enforcement representatives from Memphis, Davidson County, Chattanooga, and Oakridge in support of HB 1711 by Rep. R. Johnson, which makes it a statewide requirement that the right thumbprint of a pawnshop pledgor be taken in a pawn transaction. HB 1711 was rolled one week so the committee could here additional testimony from affected parties. HB 2500 by Rep. Lynn was rolled to the last calendar.

The following bills were rolled for 1 week:

HB 1711 by Rep. R. Johnson
HB 1742 by Rep. Hargett
HB 2570 by Rep. West
HB 2860 by Rep. Overbey
HB 2957 by Rep. McCord
HB 3527 by Rep. Dunn
HB 3834 by Rep. Stanley
HB 2762 by Rep. Strader
HB 2791 by Rep. Marrero
HB 3637 by Rep. Swafford
HB 3857 by Rep. Crider
HB 2627 by Rep. Hargett
HB 2853 by Rep. Pleasant

House bills rolled 2 weeks:

HB 3023 by Rep. Maddox
HB 3218 by Rep. Kelsey

Judicial Administration Subcommittee

The Judicial Administration Subcommittee heard fifteen bills. House bill 3255 by Rep. U. Jones was rolled two weeks.

The following bills were **approved for passage to the Full Judiciary Committee**:

- HB 3360 by Rep. Sontany prohibits a hospital from imposing a charge on an indigent person for furnishing health records to such person for the purpose of supporting a claim or appeal for social security benefits. The bill also creates an affidavit of indigency form to be provided as proof by the person claiming indigency.
- HB 2931 by Rep. Cochran allows the county clerk of Carter County to continue to exercise jurisdiction over probate matters.
- HB 3956 by Rep. Briley creates statutory authorization for the Integrated Criminal Justice Steering Committee who is responsible for facilitating the development of integrated criminal justice information systems.
- HB 2852 by Rep. Pleasant allows county registers to designate an individual to serve in their place as an ex officio member of the county public records commission.

House bills rolled 1 week:

HB 2437 by Rep. DuBois
HB 3069 by Rep. Fowlkes
HB 2587 by Rep. Fowlkes
HB 3648 by Rep. Hawk
HB 3625 by Rep. Curtiss
HB 3256 by Rep. U. Jones
HB 3260 by Rep. U. Jones

House bills rolled to the last calendar:

HB 2951 by Rep. Stanley
HB 2953 by Rep. Stanley
HB 2948 by Rep. Stanley

State and Local Government Full Committee

The **State and Local Government** full committee heard 25 bills this week. Of the 25 bills on the calendar, 12 were passed to Calendar and Rules, one to Finance, Ways, and Means, one was taken off notice, and 11 were rolled to a later calendar. The committee also recommended a proposal to be considered next week regarding constables. The full committee acted as a study committee to make a recommendation for proposed legislation that would require training and uniformity for constables across the state. This proposal will be considered in the Local Government Subcommittee next week.

The following bills were passed to Calendar and Rules:

-HB 1837 by Sargent – As amended, would exclude “above ground storage tanks which can be moved and are not affixed to the land” from the definition of real property for the purpose of classification and assessment.

-HB 3022 by Maddox – Allows the joint economic and community development board of a county to transfer or donate funds to other public or non-profit entities to be used for economic or industrial development.

-HB 3079 by Curtiss – Authorizes municipal governments, by ordinance, to increase the \$1000 limit for purchases that do not require a bid process to \$40,000.

-HB 2612 by Tidwell – Allows removal of overgrown vegetation and accumulated debris on owner-occupied residential property in Maury County.

-HB 2694 by Dunn – This bill defines the term “public official” to make it clear who is prohibited from accepting an honorarium for any speech according to current law.

-HB 2878 by Pleasant – Allows local governments to create a design review board which will have the power to develop an approval procedure for the exterior appearance of non-residential and residential property.

-HB 3434 by Bone – Makes membership on the advisory committee of the Four Lake Regional Industrial

Development Authority optional for counties, and replaces the mayor of Hartsville with the Trousdale County chairman pro-tem.

-HB 2874 by DuBois – The bill adopts the salute written by Lucy Steele Harrison as the official salute to the flag of Tennessee.

-HB 430 by Harry Brooks – This bill allows the use of blue lights on official motor vehicles of municipal police departments in Knox County and driven by reserve officers and auxiliary police officers.

-HB 2569 by West – Allows department heads to establish four-day workweeks for full-time state employees.

-HB 3570 by U. Jones – Allows a manufacturer’s license to be issued to any person or firm for the limited purpose of blending nonalcoholic products with alcoholic beverages on premises.

-HJR 750 by Pruitt – Names September 2006 as “Writing Month.”

The only bill that **passed to Finance, Ways, and Means** was **HB 2954 by Montgomery**. This bill enacts the “Tennessee State Emergency Fund Act.”

HB 2609 by Tidwell was taken off notice and the following bills were rolled to a later calendar:

-HB 3398 by McMillan – 1wk

-HB 3415 by McMillan – 1wk

-HB 1263 by Winningham – 2wks

-HB 2897 by Henri Brooks – 1wk

-HB 2898 by Henri Brooks – 1wk

-HB 2518 by Henri Brooks – 1wk

-HB 317 by Lynn – 1wk

-HB 261 by Stanley – 1wk

-HB 2821 by Overbey – 2wks

-HB 2963 by Odom – 2wks

-HB 3441 by Lynn – 1wk

State Government Subcommittee

This week in the **State Government Subcommittee**, the committee considered 15 bills. The following 8 bills were **passed to full committee**:

Rep. Pleasant



STATE & LOCAL GOVERNMENT

-HB 2554 by Eldridge – This bill awards inmates a 60-day sentence credit for earning a GED, a high school diploma, or a two or four year college degree.

Rep. Pruitt



-HB 3755 by Pruitt – This bill allows the board of directors for the Tennessee Sports Hall of Fame to appoint up to five ex officio voting members instead of nonvoting members. The bill further removes the one-year term limit for the president of the board.

-HB 2818 by Moore – Permits the Commissioner of Safety to negotiate a memorandum of understanding with federal authorities to provide training for highway patrol officers to enforce federal immigration laws in Tennessee.

-HB 3602 by Hargett – Allows the Tennessee Intercollegiate State Legislature to use the state capitol and legislative plaza for up to 10 days without being charged.

-HB 3781 by Rinks – Allows a lump sum payment of \$80,000 to beneficiaries of a member of the military that was killed in training or on active duty.

-HB 3783 by Rinks – This bill grants a state employee that has a spouse who is a member of the United States armed forces one day off from work with pay upon the deployment or return from deployment of the spouse.

-HJR 886 by Matheny – Commits Tennessee's resources to maintaining and improving the quality of life for senior citizens by identifying ways to keep pensions, health care, and other systems affordable and sustainable.

-SJR 527 by Tracy – This resolution was handled by Rep. West; it designates Colonel Hugh X. Lewis as Poet Laureate of Christian Country Music.

The subcommittee considered **HB 2484 by Sargent** and **HB 3216 by Kelsey**. Both bills failed for the lack of a majority. The following other bills were rolled to later calendars:

-HB 2669 by Baird – 1wk

-HB 3785 by Rinks – pending pensions and insurance report

-HB 3215 by Kelsey – July 2006

-HB 293 by Turner – 1wk

-HB 3771 by Rinks was taken off notice.

Local Government Subcommittee

Local Government Subcommittee heard 26 bills this week. Six bills were moved on to full committee, 17 were rolled to later calendars, 2 were moved to a special annexation calendar, and one was taken off notice.

All the bills that were **passed to full committee** are listed below.

-HB 3047 by Bone – This bill removes the regional planning council's authority to appoint additional members to the council and executive committee, and instead adds one minority member from each council county to the council and adds four minority members to the executive committee.

-HB 238 by Campfield – Prohibits the act of aiming a laser pointer at law enforcement officers, firefighters, and other emergency service personnel.

Rep. Campfield



-HB 3285 by Fitzhugh – This bill requires the assessor of property to notify taxpayers in writing within 30 days after the assessor adjusts an amended tangible personal property schedule.

-HB 3743 by Fitzhugh – Makes it clear that when ownership of taxable property is transferred to a tax-exempt organization, the new owner is not liable for the taxes from the date of transfer and change of use to the end of the taxable year.

-HB 3316 by Mike Turner – Requires residential landlords in Davidson County to register with the building codes agency.

-HB 3317 by Mike Turner - Allows building codes agency in Davidson County to conduct an in-home inspection of residential rental property that has three code violations in a six month period.

The following 17 bills were rolled to a later calendar.

-HB 3346 by Todd – 2wks

-HB 3202 by Odom - 2wks

-HB 2405 by Sargent – 2wks

-HB 3278 by Sargent – 1wk

-HB 2864 by Hargett – 1wk-

STATE & LOCAL GOVERNMENT continued.

- HB 2512 by Fowlkes – 1wk
- HB 2560 by Fowlkes – 1wk
- HB 3043 by Fowlkes – 2wks
- HB 3232 by Fowlkes – 2wks
- HB 2795 by Ferguson – 2wks
- HB 3061 by Maggart – 2wks
- HB 3553 by McCord – 1wk
- HB 2594 by Hood – 2wks
- HB 3829 by Coleman – 1wk
- HB 3627 by Strader – last calendar
- HB 3568 by U. Jones – 1wk
- HB 3609 by U. Jones – 1wk

HB 237 by Campfield and HB 3157 by Ferguson were both assigned to a special annexation calendar.

HB 3163 by Ferguson was taken off notice.

Elections Subcommittee

All bills were rolled to next week's calendar for lack of a quorum.

Full Committee

The **House Transportation Committee** convened on March 21, 2006, to consider seventeen bills. Action on **HB1694** (Stanley), **HB2443** (Pinion), and **HB2903** (Rowland) was deferred for one week. **HB2962** (Hensley), which authorizes issuance of Sons of the American Revolution new specialty earmarked license plates and earmarks 50 percent of funds produced from sale of such plates to The Tennessee Society, Sons of the American Revolution, was referred to the Special License Plate Committee. **HB828** (P. Johnson), which as amended prohibits the operation of a motor vehicle within a distance of 100 feet behind a school bus that is in motion, was referred to the House Finance, Ways, and Means Committee.

The following bills were passed by the committee and referred to the **House Calendar and Rules Committee**:



Rep. Hood

HB2595 (Hood) - Enacts the Unattended Children in Motor Vehicle Safety Act creating escalating fines for leaving children under age eight unattended in a motor vehicle where conditions present risk to child's health or safety, engine is running, or keys accessible to child.

HB2650 (Godsey) - Permits the windows rearward of the front doors of vehicles bearing government service license plates that are used for law enforcement purposes to be exempt from window tinting specifications.

HB3584 (Tidwell) - As amended, corrects an inaccurate acronym reference for Consumer Product Safety Commission to be affixed on crash helmets from CSPM to CPSC while also adding the Southern Impact Research Center (SIRC).

The following highway sign bills were passed by the committee and referred to the **House Finance, Ways, and Means Committee**:

HB2915 (Mumpower) - "Larry Carrier Memorial Interchange - Founder of Bristol International Speedway," State Route 394 and U.S. Highway 11-E in Sullivan County.

HB2916 (Mumpower) - "Robert Taylor Scott Memorial Bridge" State Route 34, U.S. 421, over Beaver Dam Creek in Johnson County.

HB3647 (Mumpower) - "Dr. James A. Street Memorial Bridge," State Route 126 and Steele Creek Drive in Sullivan County.

HB3494 (Watson, E.) - "First Lieutenant I.J. Wright Memorial Parkway," U.S. Highway 411 in City of Benton.

HB2651 (Godsey) - "Larry Carrier Memorial Parkway - Founder of Bristol International Speedway," segment of U.S. Highway 11E in City of Bristol.

HB3107 (Johnson, P.) - "Sergeant Gary Lee Reese, Jr. Bridge," Sycamore Creek on State Route 49 in Cheatham County.

HB3622 (Johnson, P.) - Expresses intent to name appropriate bridge on State Route 840 in honor of late Sergeant Gary Lee Reese, Jr., Tennessee National Guard.

HB3818 (Shepard) - Highway Signs for "Sgt. Roger D. Rowe Memorial Bridge," State Route 840 in Williamson County.

HB2668 (Hensley) - "Alan Ragsdale Memorial Highway," segment of U.S. Highway 412 in City of Hohenwald.

Rep. Johnson



Public Safety & Rural Roads Subcommittee

The **Public Safety & Rural Roads Subcommittee** met March 21, 2006, to consider eight bills. **HB2062** (Stanley) was taken off notice. Action on **HB3073** (Rowland), **HB3799** (U. Jones), **HB3154** (M. Turner) and **HB2202** (Litz) was deferred for one week. **HB3863** (Cridder) and **HB3408** (McMillan) were deferred for two weeks. **HB4016** (Pinion) was referred to full Transportation as amended. The amendment states the Department of Safety shall not issue any license to any person who is not a United States citizen, lawful permanent resident of the United



Chairman Pinion

States or a person whose presence in the United States has been authorized by the federal government for a specific purpose for a specified period of authorized stay. The amendment also states that to obtain a driver license, a person may provide documentation issued by the federal government establishing the person's presence in the United States has been federally authorized for a specific purpose and specific period of authorized stay. The driver license shall be valid only during the time of

establishing the person's presence in the United States has been federally authorized for a specific purpose and specific period of authorized stay. The driver license shall be valid only during the time of

the person's authorized stay in the United States and issued for no more than one but no less than five years.

Public Transportation & Highways Subcommittee

The **Public Transportation & Highways Subcommittee** met on March 21, 2006 to consider twenty-four bills. Action on **HB2984** (West), **HB3642** (West), **HB3257** (U. Jones), **HB3301** (Niceley), **HB2769** (L. Turner), **HB3756** (Pruitt), and **HB3185** (Cobb) was deferred for one weeks. **HB3804** (Harmon) was deferred for two weeks. **HB3864** (Crider) was deferred to 2007. **HB3957** (Briley) and **HB3310** (Moore) was taken off notice.

The following bills were passed to the full Transportation Committee:

HB2623 (McMillan) – As amended, reduces the sales tax rate on certain fuel efficient motor vehicles to 3.5 percent. The bill also allows TDOT to promulgate rules in accordance with the federal highway act SAFETEA-LU to allow fuel efficient motor vehicles to use HOV lanes.

HB3400 (McMillan) - Authorizes issuance of Tennessee Wildflowers new specialty earmarked license plates.

HB2608 (Pinion) - Authorizes issuance of Support Our Troops new specialty earmarked license plates; earmarks 50 percent of funds produced from sale of such plates to Support Our Troops, Inc. to assist its programs and activities in Tennessee.

HB3858 (Crider) - Directs the department of transportation to indicate presence of highway construction workers with signs which have retroreflective markings for visibility at night and in low-light conditions in addition to flashing amber lights.

HB2793 (Marrero) - Authorizes issuance of Memphis Zoo new specialty earmarked license plates.

HB2964 (Hensley) - Removes prohibition on antique motor vehicles being used for general transportation by authorizing such use on Sundays only.

The following highway sign bills were passed to the full Transportation Committee:

HB2620 (McMillan) - "Lawrence N. Koontz Parkway," segment of State Route 374 (101st

North Parkway) in Montgomery County.

HB3631 (McDaniel) - "Ethridge Lineberry Memorial Bridge," State Route 128 in Wayne County.

HB3632 (McDaniel) - "C.W. Lineberry Memorial Highway," segment of State Route 128 in Wayne County.

HB3633 (McDaniel) - "Gordon Turner Memorial Highway," segment of State Route 201 in Henderson County.

HB3656 (Baird) - Expresses intent to name appropriate bridge on State Route 840 in honor of late Sergeant Alfred Barton Siler, Tennessee National Guard.

HB3684 (R. Johnson) - Expresses intent to name appropriate bridge on State Route 840 in honor of late Sergeant Joseph D. Hunt, Tennessee National Guard.

HB3860 (Crider) - "Deputy Roger Norvell Memorial Highway," segment of State Route 104 in Gibson County.

Budget Hearings



Budget Hearings

Department of Children Services Amelia Mitchell

The Tennessee Department Children Services presented its budget to the House Finance Ways and Means Committee on Tuesday, March 21st. Commissioner Viola Miller spoke to the committee and outlined the following key successes the department has made.

- Reduction of children in state custody
- Increase in placement of children in family settings
- Average length the child stays in state custody is down
- Placement in the child's home county has increased
- Improvement of placement stability
- Timeliness of reunification is better
- Timeliness of adoptions is up
- Re-entry into state custody has decreased
- The number of finalized adoptions has improved

Below is a description of the department's budget request:

Department	Base 06-07	Improvements	Recommended 06-07
Full Time	5,022	0	5,022
Part Time	43	0	43
Seasonal	0	0	0
Total	5,065	0	5,065
Payroll	229,249,800	8,175,700	237,425,500
Operational	362,381,400	17,560,600	379,942,000
Total	591,631,200	25,736,300	617,367,500
State	292,021,800	13,246,600	305,268,400
Federal	99,272,200	5,742,600	105,014,200
Other	200,337,200	6,747,700	207,084,900

Budget Hearings

Department of Commerce and Insurance Patrick Boggs

On Wednesday, March 22, 2006, Commissioner of Commerce and Insurance Paula Flowers, presented the budget for her department for Fiscal Year 2006-2007 to the Finance, Ways, and Means Committee. In Fiscal Year 04-05, the department generated \$496 million in revenue, including \$393 million in insurance premium taxes. Of this, \$415 million reverted into the general fund.

	Estimated 2005-2006	Base 2006-2007	Improvement 2006-2007	Recommended 2006-2007
Payroll	\$ 34,128,400	\$ 34,008,000	\$ 668,000	\$ 34,676,000
Operational	\$ 56,765,700	\$ 55,211,000	\$ 727,400	\$ 55,938,400
Total	\$ 90,894,100	\$ 89,219,000	\$ 1,395,400	\$ 90,614,400
State	\$ 49,944,300	\$ 50,104,700	\$ 316,900	\$ 50,421,600
Federal	\$ 1,677,600	\$ 258,700	\$ 0	\$ 258,700
Other	\$ 39,272,200	\$ 38,855,600	\$ 1,078,500	\$ 39,934,100

Improvements included in the budget are \$1.5 million for 14 new positions. Six of these positions are in the Fire Prevention office, paid for out of user fees. Two positions and an increase of \$61,600 in state recurring funds are for two additional positions in the Fire and Codes Enforcement Academy. The remaining 6 positions are distributed between the administrative, audit, and legal functions within the department, and are paid for with a mix of state funds and user fees.

Commissioner Flowers stated that additional funding may be needed in certain areas that were not included in the printed budget request. One is to address the problem in the electrical inspection program. Previously, electrical codes inspectors were treated as contractors to the department rather than employees of the department and were compensated as such. The IRS has ruled that they are indeed employees of the department, and further funding may be needed to address this. Another item that also may need funding is the report produced to the Department of Safety by the Kroll Company on the status of the Tennessee Highway Patrol. The Kroll Co. determined that some functions of the Safety Department as related to law enforcement and officers' training are parallel to similar programs for the training, support, and oversight of firefighters within the Department of Commerce and Insurance. Further funding may be requested to somehow combine these functions.

Budget Hearings

Department of Education

Pam Mason

The Department of Education presented its 2006-2007 budget on March 15. Commissioner Seivers shared with the Committee many areas where there is continued improvement in bettering education for Tennessee students. In its efforts to track students, the Department has developed one program for the state so as to have better coordination. Students attending the Governor's schools are now receiving college credit for their work. The number of students taking the ACT exam has risen from 85 percent last year to 92 percent and there has been an increase in the scores of these students each year. Tennessee is the third highest state in the nation of students taking this test. Each year of this administration the Department has returned less money to the Federal government. This is the first year that no dollars will be returned.

Some areas of improvement in this budget include:

Basic Education Program

BEP At-Risk Students

Pre-K Program

Teachers' Salary Increase


Tennessee Early Intervention Services

BEP Growth Fund

BEP English Language Learners

Governor's Institute for Science & Math

Group Health Insurance



	Base	Improvements	Recommended
State	3,147,313,200	195,533,400	3,342,846,600
Federal	855,738,500	0	855,738,500
Other	11,859,200	25,000,000	36,859,200
TOTAL	\$4,014,910,900	\$22,0533,400	\$4,235,444,300

State Board of Education

Governor's Books from Birth

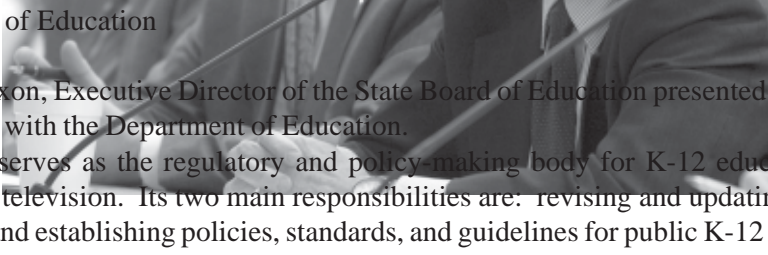
Dr. Gary Nixon, Executive Director of the State Board of Education presented the Board's 2006-2007 budget in conjunction with the Department of Education.

The Board serves as the regulatory and policy-making body for K-12 education, state special schools, and educational television. Its two main responsibilities are: revising and updating the Master Plan for improving education; and establishing policies, standards, and guidelines for public K-12 education.

Foundation

The State Board of Education budget request follows.

The Department of Education budget request follows



	Base	Improvements	Recommended
State	762,100	28,000	790,100
Federal	0	0	0
Other	0	0	0
TOTAL	\$762,100	\$28,000	\$790,100

Budget Hearings

Tennessee Lottery Corporation

Lawrence Hall, Jr.

On March 14, 2006 the **Tennessee Lottery Corporation** presented financial projections for fiscal year **2006-2007** to the House Finance, Ways, and Means committee. The corporation was represented by Rebecca Paul, CEO and President, and Andy Davis, Chief Financial and Technology Officer.

Rebecca Paul provided the committee with a press release dated January 20, 2006, which was entitled, “***Lottery, Education Celebrate Two Years of Success! Over One-Half Billion Raised For Programs Throughout The State.***” The document provided an estimate of revenues raised over a two period, which was right at one-half billion dollars. Ms Paul stated that in less than two years, more than 60,000 students have been awarded Lottery scholarships and grants. The following information regarding the first two years of operation was also provided to the committee (*estimates are through to Jan. 19, 2006*):

- \$1.8 billion in gross ticket sales
- \$492 million estimated for the Lottery for Education Account
- \$9 million deposited for after-school programs
- \$1 billion in prizes won by players
- \$117 million paid in retailer commissions
- Approximately 60,000 awards given to students attending higher education institutions in the state
- \$25 million paid as a top prize to a single winner (Powerball jackpot)
- 311 winners of \$50,000 and up
- 83 instant games launched to date
- 4 computerized games launched to date (Cash 3, Powerball, Lotto 5, Cash 4)
- Top 10 selling counties
 - Shelby
 - Davidson
 - Knox
 - Hamilton
 - Rutherford
 - Madison
 - Lincoln
 - Sumner
 - Sevier
 - Giles

continued on next page.

Budget Hearings

Tennessee Lottery Corporation

Lawrence Hall, Jr.

Andy Davis, Chief Financial and Technology Officer, provided the committee with the following projections for fiscal year ending June 30, 2006 and 2007 (in Millions):

Estimate for Fiscal Year Ending June 30, 2006 (in Millions)

	<u>Low Range</u>	<u>High Range</u>
Gross Ticket Sales	\$886.3	\$903.7
Weekly Average	\$17.0	\$17.3
Total Proceeds	\$827.3	\$843.7
Return to Education	\$233.9	\$238.7
% of Total Proceed	28.3%	28.3%
Due to After-School Programs	\$6.9	\$6.9

Estimate for Fiscal Year Ending June 30, 2007 (in Millions)

	<u>Low Range</u>	<u>High Range</u>
Gross Ticket Sales	\$912.8	\$930.8
Total Proceeds	\$852.1	\$868.9
Return to Education	\$238.5	\$243.5
% of Total Proceed	28%	28%
Due to After-School Programs	\$7.3	\$7.3

Budget Hearings

Tennessee Department of Safety Jeremy L. Elrod

Acting Commissioner
Gerald Nicely



On Thursday, March 22, 2006, Acting Commissioner Gerald Nicely presented the Tennessee Department of Safety proposed budget to the Finance, Ways, and Means Committee. With Commissioner Nicely was Commander of the Tennessee Highway Patrol Mike Walker, Director of Fiscal Services Bill Hedge, and Director of Driver License Issuance Division Greta Dajani.

Commissioner Nicely first discussed the department's proposed FY 06-07 budget as submitted by the governor in February. The department's \$178,880,700 base budget is a five percent decrease from FY 05-06 budget. The request of a total improvement of \$4,295,500 is a 2.4% increase from FY 05-06. The total recommended budget in the budget document is \$183,176,200. These improvements are listed below:

Statutory Salary Step Increase for THP Troopers	\$899,100
Mandated Commissioned Officer Salary Increase from Border-State Survey	\$2,117,100
Rent Increases	\$675,000
County Clerks for an Increased Issuing of Motor Vehicles Titles	\$500,000
Mandated Police Pay Supplements under POST Program	\$104,300
TOTAL	\$4,295,500

Commissioner Nicely then discussed the department's supplemental funding request as a result of the FedEx Study for Driver Licenses and the Kroll Report of \$5,867,200. This is composed of \$3,957,300 of recurring funding and \$1,909,900 in non-recurring funding.

The department is requesting funding for several improvements due to findings in the FedEx Report to improve the delivery of licenses to Tennessee residents. Seven new stations are to be opened with thirty-three new positions, with four counties receiving a station that are currently without and three counties receiving additional stations due to heavy traffic. Six new positions for three existing stations, converting 27 positions from Temps, upgrading the current computer licensing system and establishing a centralized call center are also improvements due to suggestions from the FedEx Report. The total request as a result of the FedEx Report findings is \$3,188,700 for 66 positions and related operational expenses.

Also requested by the department are several changes on account of the Kroll Report findings that require funding. The findings and recommendations included restructuring of the department, increasing leadership positions, strengthening the internal affairs and internal audit capabilities of the THP and the department, and strengthening the enforcement and audit training standards by the POST Commission. The department is requesting funding for \$2,678,500 for 24 new positions and related operational expenses to carry out recommendations of the Kroll Report adopted by the Department of Safety.

Budget Hearings

Comptroller of the Treasury Denise Sims

The Comptroller of the Treasury, John Morgan, summarized the 2006-07 budget for his department during recent Finance, Ways and Means budget hearings. The Comptroller's statutory duties include (from the budget document) "... the audit of state and local governments, management of the state debt, support for the General Assembly and its committees, participation in the general financial and administrative management of state government, administration of property assessment for tax purposes and support of local governments."

The office's **total budgetary request**, as recommended, totals **\$79,964,600** of which \$69,577,800 are state dollars and \$10,386,800 are "other" funds. The recommended improvements total \$1,857,300 and consist of:

- one full time position in the Division of State Audit to assist the Comptroller with responsibilities under the Tennessee Governmental Accountability Act of 2002;
- three full time positions in the Division of County Audit including one audit manager for internal controls system and technical support, and two information systems auditors for review of county information and financial systems; and
- funds (non-recurring) for the re-development and integration of statewide property tax assessments and appraisal information systems supporting state and local government functions (in the Office of Management Services).

Each division of the Office of the Comptroller contributes to the goals based on the services provided and the performance objectives that have to be met. During the hearing, committee members looked over the handouts detailing the office's strategic plans and performance-based budgeting and their relation to the goals listed. Those five goals are:

Goal 1 – Assure public resources are used effectively and efficiently.

Goal 2 - Accomplish and provide continuous improvement for the statutory and other assigned responsibilities of the Comptroller's Office.

Goal 3 - Provide timely, adequate, and accurate information to policy makers at all government levels.

Goal 4 – Provide a diverse, competent, ethical and professional staff and maintain continual development of such staff.

Goal 5 – Provide and maintain effective communication with internal and external audiences.

Budget Hearings

Department of Revenue

Denise Sims

Commissioner Loren Chumley, joined by Deputy Commissioner Reagan Farr, Fiscal Services Director John Lamar, and Chief Financial Officer Ed Eldridge, presented the Department's budget for Fiscal Year 2006-07.

The **total recommended budget** for the department is **\$68,655,400** of which \$47,319,700 are state dollars, a slight decrease from the current fiscal year (\$47,906,000). Recommended improvements total \$98,700, representing funds for an additional special agent position and related equipment for tax fraud enforcement.

	<u>Estimated 05-06</u>	<u>Base 06-07</u>	<u>Improvements 06-07</u>	<u>Recommended 06-07</u>
State	\$ 47,906,000	\$ 47,221,000	\$ 98,700	\$ 47,319,700
Federal	22,000	22,000	0	22,000
Other	21,278,800	21,313,700	0	21,313,700
Total	\$ 69,206,800	\$68,556,700	\$ 98,700	\$ 68,655,400

One of the questions from committee members related to the current status of the Streamlined Sales Tax project. Commissioner Chumley says there are now 13 full member states in the project and six associate member states. Tennessee is one of those associate member states, meaning businesses can choose to collect taxes from Tennessee, but are not required to do so.

The Commissioner says since the October 1, 2005 nationwide start of the project, two things have happened. One was a kick-off of amnesty for all full member states and associate states, and the second was the implementation of a nationwide central registration system for businesses where they can file to register to collect from all streamlined states, do address changes, etc. She says so far, the department has had close to 400 registrants come in under the national system. The Commissioner said 186 of those have signed up to collect Tennessee taxes and take advantage of the state's amnesty – that is, the opportunity to come forward to collect Tennessee sales taxes without the department reviewing for prior liability for sales taxes.

Another question related to the unauthorized substance tax (drug tax), and the time it is taking for tax enforcement agents in the field. Commissioner Chumley said although she considered putting an improvement request in the budget for additional positions, she decided to monitor the effects of the enforcement before making that decision.

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